UNITED NATIONS

DP

Executive Board of the United Nations Development Programme and of the United Nations Population Fund

Distr.
GENERAL

DP/1994/16
28 April 1994

ORIGINAL: ENGLISH

Second regular session 1994
10-13 May 1994, New York
Item 5 of the provisional agenda

COUNTRY PROGRAMMES, MID-TERM REVIEWS AND RELATED MATTERS

Impact of the enabling environment of the Sudan on the implementation of the fourth country programme

Note by the Administrator

I. PURPOSE

1. The present report has been prepared to facilitate the policy review by the Executive Board of the fourth country programme for the Sudan in pursuance of Governing Council decision 93/20 of 18 June 1993.

II. SUMMARY OF THE COUNTRY PROGRAMME

2. The three areas of concentration of the fourth country programme are: (a) sustainable rural development; (b) promotion of food security; and (c) strengthening the national capacity to manage development and to implement macroeconomic reform.

3. The first two objectives account for 92 per cent of the resources available during the country programme period. The Area Development Scheme programme is the mainstay of the sustainable rural development objective. It consists of a long-term pilot approach to poverty alleviation in th Sudan, reaching about 1 million people in more than 1,000 villages. The locations of the five Area Development Schemes were selected from among the poorest areas of the Sudan with a potential for economic development.

4. An independent evaluation of the Area Development Scheme programme in December 1992 confirmed that it is appropriate in the Sudan. The evaluation noted that the efforts to empower rural communities to become self-reliant have taken root.

5. Sustainable rural development and the promotion of food security require a mix of inputs and governmental and non-governmental structures able to assimilate them. Other activities, in areas such as regional planning, labour-intensive public works, vocational training, small-scale enterprise development, renewable energy and the environment are therefore incorporated under these objectives.

III. ASSESSMENT OF THE ENABLING ENVIRONMENT

A. General situation

6. The Sudan continues to face an extremely difficult economic situation, characterized by rampant inflation, high unemployment and sizeable budgetary and balance-of-payments deficits. The policy measures enacted in 1992 to revitalize the economy through floating the currency, privatizing public enterprises and creating incentives to producers and exporters have not had the expected impact.

7. The external resources the Government hoped would be attracted by the economic liberalization policies have not materialized. In February 1994, the World Bank announced that it would stop all disbursements against approved loans and close its small liaison office located in the UNDP country office.

8. Owing to the continuing civil strife in the southern third of the country, UNDP-supported development activities have so far been confined to the north.

9. Communications continue to be a major problem, with limited progress being achieved. The only reliable communication system is by radio. Rail transport is improving under the Sudan Railways Corporation's emergency recovery programme.

B. Sustainable rural development

10. Two thirds of the country's population depends on agriculture for its livelihood. About 85 per cent of the rural population (some 15 million) live below the poverty line. Sustainable development in the Sudan must therefore focus on rural areas threatened by the recurrent droughts that are a major cause of migration to urban areas.

11. Local governments are now in control of their revenues and expenditures. This move strengthens UNDP-financed efforts to develop sub-national capacities to plan, initiate and support participatory rural development programmes, starting at the village level.

12. To address environmental problems, the Government has established the Higher Council for the Environment and Natural Resources. As part of UNDP support to environmental conservation, a pilot project approved in 1993 will strengthen the capacity of local government in two of the five Area Development Scheme locations.

C. Food security

13. The continued priority given to agriculture resulted in production exceeding the country's needs of sorghum - its main staple - by one third in 1992-1993. The wheat harvest met nearly all domestic needs. Sorghum and wheat production probably fell in 1993-1994, as a result of much less favourable climatic conditions.

14. The 1992 improvement in food security was less than that in food production, mostly because of transportation and storage problems. The national grain storage capacity of 1.8 million tons will increase by an additional 155,000 tons through the continued construction of large silos, financed by the Agricultural Bank of Sudan.

15. In June-August 1993, locust infestations were reported in Kordofan and Darfur, threatening agricultural output. Food and Agriculture Organization of the United Nations (FAO)-supported rapid control operations averted a major crisis.

D. Strengthening the national capacity to manage development and to implement macro-economic reform

16. As noted in section A, the general economic environment is not favourable. There is little incentive for the Government to continue its macro-economic reforms in the absence of financial support from the World Bank group, the International Monetary Fund (IMF) and bilateral donors. The latter have largely stopped all development assistance, preferring to concentrate on emergency and relief assistance.

III. PROSPECTS FOR AREA DEVELOPMENT SCHEMES IN THE SOUTH

17. Following discussions with the Government, Wau, the capital of Bahr-el-Ghazal state, was chosen as a possible location for an intervention along the lines of an Area Development Scheme. The focus of that intervention should be on improving food security, which is a clear priority for the town's population. It is clear that operational and logistical constraints will considerably raise the costs and time for achieving the objectives. A project formulation mission visited Wau in March 1994 to design a pilot intervention for duplication in other areas of the south, as the security situation permits.

IV. OVERALL OBSERVATIONS AND CONCLUSIONS

18. UNDP has been able to demonstrate that its activities in the Sudan are of direct benefit to low-income groups in rural areas; by building local management capacities, the targeted populations have been able to direct their development efforts even in the most difficult enabling environment. The Area Development Scheme programme emphasizes the application of various models of participatory

development on a pilot basis to ascertain the potential for replication and adaptation in the rest of the country.

19. Supporting the rural poor contributes to the reduction of social tensions. By mobilizing and organizing communities to participate in making and implementing decisions that affect their lives, the country programme helps to create a participatory political culture at the grass-roots level. By empowering villages to become self-reliant and food-secure, it helps them to avoid starvation or dependence on relief in a sustainable manner.

V. EXECUTIVE BOARD ACTION

20. The Executive Board may wish to take note of the present report.